



Good Neighbors

San Diego  
Housing Commission

# MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING  
APRIL 9, 1999  
CITY ADMINISTRATION BUILDING  
202 C STREET, 12TH FLOOR  
SAN DIEGO, CALIFORNIA**

Attendance: Present: Chairman Arthur, Commissioners Grinchuk, Hills, Steinke and Tumminia. Also present were: Ms. Elizabeth Morris, Chief Executive Officer, and Charles Christensen, General Counsel. Absent: Commissioner Dick.

**10 CALL TO ORDER**

Chair Arthur called the meeting to order at 9:08 a.m.

**20 PUBLIC COMMENT**

Former Housing Commissioner Shuf Swift spoke in support of the Community Opportunities Program, which encourages Section 8 families to move to low poverty neighborhoods which offer higher quality housing, education and employment opportunities. Mr. Swift noted that this is also the goal of the Housing Integration Set-Aside Task Force. However, Mr. Swift commented that poor families are in greater need of financial assistance to move into appropriate housing and, that rents rising as they are in the current market present an insurmountable obstacle to families desiring to move to better neighborhoods. Mr. Swift suggested that the City's Consolidated Plan address this issue more effectively by incorporating integration incentive dollars into its homebuying and rental assistance programs.

**30 COMMISSIONER COMMENTS**

Chair Arthur congratulated Commissioner Grinchuk for recent media coverage of his new enterprise, a wine shop in the Hillcrest area. Mr. Grinchuk added that his property which was rehabilitated includes 11 housing units.

**40 REPORT BY THE CHIEF EXECUTIVE OFFICER**

Ms. Morris informed the Commissioners that she had hoped to bring the topic of Homelessness to this meeting for policy discussion, as several Commissioners had requested, but that it would appear on a later agenda to accommodate the schedule of the City's Homeless Coordinator. Ms. Morris anticipated that this item would probably be heard at the May 7, 1999 Housing Commission meeting.

Commissioner Steinke asked that staff work with the City staff and CCDC to coordinate efforts to address the issue of Homelessness in the downtown area.

**50 APPROVAL OF THE MINUTES**

MOTION BY TUMMINIA TO APPROVE THE MINUTES FOR THE MEETINGS OF MARCH 5, 1999, AND MARCH 26, 1999.

SECOND BY COMMISSIONER AND CARRIED ON UNANIMOUS VOTE OF 6-0, WITH COMMISSIONER DICK BEING ABSENT.

**ADOPTION AGENDA - CONSENT**

MOTION BY STEINKE TO APPROVE THE FOLLOWING ITEMS ON CONSENT.

**100 HCR99-037 — Construction Contract for Improvements at Eastman Street and Levant Street (Council District 5)**

**Recommendation:** That the Housing Commission approve the award of contract to Rasmussen Brothers Construction, Inc., for improvements in the amount of \$102,500 at 7105-7120 Eastman Street and 7085-7095 Levant Street with a ten percent contingency (\$10,250) and authorize the Chief Executive Officer to execute the contract and expend the contingency if necessary.

**101 HCR99-039 — Award of Construction Contract for Improvements at Alaquinas Drive (Council District 8)**

**Recommendation:** That the Housing Commission approve the award of contract in the amount of \$151,829 with a ten percent (10%) contingency of \$15,182 to Healey Construction Co. for the improvements at 2005-2065 Alaquinas Drive and authorize the Chief Executive Officer to execute the contract and expend the contingency if necessary.

**103     HCR99-038 — Issuance of Housing Revenue Bonds North Park Properties) (Council Districts 4 and 7)**

**Recommendation:** It is recommended that the Housing Authority authorize issuance of taxable and tax-exempt revenue bonds in an amount not to exceed \$10,000,000 to finance the acquisition and rehabilitation of the 166 multifamily rental unit North Park Properties project located at 4238 54th Place and 4501 Logan Avenue by Park Crest Partners, L.P. The bond proceeds will not be released without FHA bond insurance. The Chief Executive Officer is authorized to execute all documents relevant to the financing.

SECOND BY OXBERRY.

MOTION CARRIED ON A UNANIMOUS VOTE OF 6-0, WITH DICK BEING ABSENT.

**ADOPTION AGENDA - ACTION AGENDA**

**102     HCR99-033 — City-County Reinvestment Task Force Report on Lender Performance (Citywide)**

Staff report was presented by Mr. Jim Bliesner, Director of the Joint City/County Reinvestment Task Force.

Mr. Bliesner fielded questions from Chair Arthur concerning the involvement Comerica Bank and their commitment to CRA in the community. Mr. Bliesner noted that Comerica Bank is based in Los Angeles and has only one branch in San Diego. He indicated that, notwithstanding that fact, Comerica Bank is working to learn the market. Mr. Bliesner reported that some "meet and greet" sessions have been set up with Comerica Bank's new CRA Officer to address some of these issues.

Chair Arthur also requested that Mr. Bliesner comment on Bank of America and Grossmont Bank's involvement in CRA. Mr. Bliesner noted that Bank of America has committed only 1.5% of their assets in CRA lending. He indicated that Bank of America has not designated a CRA representative for San Diego. He reported that the agreement with Bank of America was being renegotiated because of their acquisition by Nations Bank.

Concerning Chair Arthur's question regarding Grossmont Bank, Mr. Bliesner reported that Grossmont has undergone three mergers. The Joint City/County Reinvestment Task Force has challenged all of these mergers.

However, he reported that, although their involvement is low, it is much higher than previous years.

Chair Arthur also asked Mr. Bliesner to comment on Washington Mutual. Mr. Bliesner commented that the Reinvestment Task Force was the only entity in the United States to challenge the Washington Mutual merger with Home Savings, based upon their previous CRA performance. He indicated that Washington Mutual is going to be a major player in CRA activity. In fact, they have set up a department whose sole function is to do affordable housing and community reinvestment. This department has been staffed with 5-6 people. They have made \$100,000 contributions to the Urban League in Oceanside and San Ysidro to spark community revitalization efforts.

MOTION BY GRINCHUK TO ACCEPT THE REINVESTMENT TASK FORCE REPORT ON LENDER REINVESTMENT PERFORMANCE PREPARED PURSUANT TO THE COMMUNITY REINVESTMENT ACT AND FORWARD TO THE CITY COUNCIL.

SECOND BY STEINKE.

MOTION CARRIED ON UNANIMOUS VOTE OF 6-0, WITH DICK BEING ABSENT.

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**HCR99-041 — Status Report on the Implementation of Quadel Consulting Corporation's Recommendations regarding the Rental Assistance Program (Citywide)**

Staff report was presented by Rental Assistance Program Manager Pat Zamora, with Senior Program Analyst Craig Velte on hand to answer any questions.

Commissioner Tumminia commented that she was pleased that the Recertification Process for the elder and disabled population would be completed via a mail in process.

Chief Executive Officer Elizabeth Morris commended the Section 8 staff on the considerable work they have done to streamline the various Section 8 processes. Section 8 staff on all levels participated in this process. Ms. Morris noted that all the forms had been reviewed and as a result many had been revised and shortened to make them more user friendly. In addition, substantial savings will be realized in mailing costs due to the fact that many of the forms have been shortened substantially. In addition, Ms.

Morris reported that great efforts are underway in streamlining the process for potential users.

MOTION BY TUMMINIA TO ACCEPT STAFF'S REPORT WHICH OUTLINES PROGRESS IN IMPLEMENTING CONSULTANT RECOMMENDATIONS REGARDING THE RENTAL ASSISTANCE PROGRAM.

SECOND BY GRINCHUK.

MOTION CARRIED ON UNANIMOUS VOTE OF 6-0, WITH DICK BEING ABSENT.

**105      HCR99-036 — Fiscal Year 2000 City of San Diego Consolidated Annual Plan (Citywide)**

Staff report was presented by Ms. Nancy Williams, Programs and Policy Manager, in the form of a Powerpoint presentation. Consolidated Plan Project Manager Rudy Cervantes was on hand for questions.

Ms. Molly Morgan representing the Housing Integration Task Force (HISA) spoke of her appreciation for the Consolidated Plan's stated goals of freedom of housing choices, spatial deconcentration of lower income and minority families, increasing the number and diversity of neighborhoods and locations of Section 8 recipients, and addressing existing barriers to mobility and race. Ms. Morgan noted that these stated goals are consistent with the City's Balance Communities Policy and federal requirements for CDBG funding and federal Fair Housing Laws. However, she commented on the lack of suggested strategies or programs to effectively achieve the stated goals. She noted, however, that there are plan incentives offered to developers and property owners to increase affordable housing. Further, she commented that plan maps and tract charts illustrate the extent of racial concentration and isolation in San Diego and clearly call for more affirmative programs for deconcentration.

In response to a query by Chair Arthur, Ms. Morgan stated that her organization is made of a group of citizens who have been working to help build more racially integrated neighborhoods and provide incentives to do so.

Mr. Mel Shapiro commented that the Consolidated Plan does not show the needs that exist by income group, family, and by disabled as it did in

previous years. Mr. Shapiro indicated that he can provide the Commission with these figures upon request.

Ms. Cathy O'Leary spoke in support of the Consolidated Plan and its broad scope. She expressed concern for the households in the 0%-30% level of income. Ms. O'Leary strongly urged the Commission to provide adequate rental assistance for the households in this income level. She also encouraged the Commission to work with other entities to implement a citywide inclusionary ordinance.

Chairman Arthur questioned the increase in size of the Waiting List. Ms. Morris explained that the size is actually typical of past years' experience. The number was less in 1997, because the list had been purged and many names were dropped in the process.

Commissioner Steinke opened discussion regarding the Plan's major categories of funds and the discretionary utilization of these funds. Ms. Williams reminded the Board the majority of the funding outlined in the Plan is Entitlement Funding that comes directly to the City for the purposes of economic development, human services, the HOPWA program, etc. The Commission does receive federal HOME funds directly.

Ms. Morris commented that the Board will have an opportunity to explore this issue in greater depth when the Housing Commission's FY2000 Budget is brought before the Commission at its April 23rd meeting.

MOTION BY TUMMINIA TO RECOMMEND CITY COUNCIL APPROVAL OF THE CITY'S DRAFT FISCAL YEAR 2000 CONSOLIDATED ANNUAL PLAN, AND AUTHORIZE ITS SUBMISSION TO HUD.

SECOND BY OXBERRY AND CARRIED ON UNANIMOUS VOTE OF 6-0, WITH DICK BEING ABSENT.

### **CLOSED SESSION**

- I. Conference with Legal Counsel - existing litigation, pursuant to California Government Code Section 54956.9(a) and 54954.5(c):

- (a) Marivel Miranda v. San Diego Housing Commission  
San Diego Superior Court Case No. 722682

INFORMATIONAL ONLY. NO ACTION TAKEN.

- II. Conference with Legal Counsel - anticipated litigation pursuant to Government Code Section 54956.9(c) and 54954.5(c):

(a) More than (1) matter.

CONCERNING THREE OF THE MATTERS DISCUSSED, INSTRUCTIONS WERE GIVEN TO COUNSEL BY A UNANIMOUS VOTE OF 6-0, WITH DICK BEING ABSENT. WITH RESPECT TO ONE MATTER INVOLVING POTENTIAL LITIGATION, THE VOTE WAS 5-0, WITH CHAIR ARTHUR ABSTAINING AND DICK BEING ABSENT.

- III. Conference with Labor Negotiator - pursuant to California Government Code Section 54957.6:

Agency Negotiator: Elizabeth C. Morris and/or Pat Duplechan for the San Diego Housing Commission.

Employee Organization: Services Employees International Union, Local 535, SEIU, AFL-CIO

THIS MATTER WAS NOT DISCUSSED.

- IV. Adjournment of Closed Session.  
V. Announcement of action taken in Closed Session.

### **ADJOURNMENT**

Chair Arthur adjourned the meeting at 10:35 a.m.

Respectfully submitted,

Approved by,

Rob Albrecht  
Docket Coordinator

Elizabeth C. Morris  
Chief Executive Officer